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**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re	)	Lead Case No. 18-11598-abl
	)	
STEAM DISTRIBUTION, LLC,	)	Chapter 11
	)	
_____	)	Jointly Administered With:
	)	
<input type="checkbox"/> Affects STEAM DISTRIBUTION, LLC, Only	)	18-11599-abl HAVZ, LLC dba STEAM WHOLESALE
	)	18-11600-abl ONE HIT WONDER, INC.
<input type="checkbox"/> Affects HAVZ, LLC dba STEAM WHOLESALE Only	)	
	)	<u>Plan Confirmation Hearing:</u>
<input type="checkbox"/> Affects ONE HIT WONDER, INC. Only	)	HEARING DATE: February 27, 2019
	)	HEARING TIME: 1:30 p.m.
<input checked="" type="checkbox"/> Affects All Debtors	)	LOCATION: 300 Las Vegas Blvd. South
	)	Las Vegas, NV 89101
	)	Courtroom 1, Third Floor
_____	)	

**NOTICE OF (PROPOSED) FINDINGS OF FACT AND CONCLUSIONS OF LAW IN  
SUPPORT OF ORDER CONFIRMING DEBTORS' AND ONE HIT WONDER  
HOLDINGS, LLC'S FIRST AMENDED JOINT PLAN OF REORGANIZATION WITH  
SUBSTANTIVE CONSOLIDATION FOR PLAN PURPOSES (DATED DECEMBER 17,  
2018)**

**PLEASE TAKE NOTICE** that Steam Distribution, LLC, Havz, LLC, and One Hit Wonder, Inc. (collectively, the "Debtors"), debtors and debtors in possession in the above-captioned, jointly administered chapter 11 bankruptcy cases, and their affiliate, One Hit Wonder Holdings, LLC ("OHW Holdings" and with the Debtors, collectively, the "Plan Proponents") hereby submits the attached [Proposed] Findings Of Fact And Conclusions Of Law In Support Of Order Confirming Debtors' And One Hit Wonder Holdings, LLC's First Amended Joint Plan Of Reorganization With Substantive Consolidation For Plan Purposes (Dated December 17, 2018).

Dated: February 20, 2019

**LEVENE, NEALE, BENDER,  
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**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

In re	)	Lead Case No. 18-11598-abl
	)	Chapter 11
STEAM DISTRIBUTION, LLC,	)	Jointly Administered With:
	)	18-11599-abl Havz, LLC dba Steam
	)	Wholesale
	)	18-11600-abl One Hit Wonder, Inc.
<input type="checkbox"/> Affects STEAM DISTRIBUTION, LLC,	)	<b><u>Plan Confirmation Hearing:</u></b>
Only	)	HEARING DATE: February 27, 2019
<input type="checkbox"/> Affects HAVZ, LLC	)	HEARING TIME: 1:30 p.m.
dba STEAM WHOLESALE Only	)	LOCATION: 300 Las Vegas Blvd. South
<input type="checkbox"/> Affects ONE HIT WONDER, INC. Only	)	Las Vegas, NV 89101
<input checked="" type="checkbox"/> Affects All Debtors	)	Courtroom 1, Third Floor

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER  
CONFIRMING DEBTORS' AND ONE HIT WONDER HOLDINGS, LLC'S FIRST  
AMENDED JOINT PLAN OF REORGANIZATION WITH SUBSTANTIVE  
CONSOLIDATION FOR PLAN PURPOSES (DATED DECEMBER 17, 2018)**

At the above-captioned date, time, and location, the Honorable August B. Landis, United States Bankruptcy Judge for the District of Nevada (the "Court"), held a hearing (the "Hearing") to consider confirmation of the *Debtors' and One Hit Wonder Holdings, LLC's First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17, 2018)* (the "Plan") [ECF 261]<sup>1</sup> filed by Steam Distribution, LLC, Havz, LLC, and One Hit Wonder, Inc. (collectively, the "Debtors"), debtors and debtors in possession in the above-captioned, jointly administered chapter 11 bankruptcy cases, and One Hit Wonder Holdings, LLC ("OHW Holdings") and with the Debtors, collectively, the "Plan Proponents"). Appearances were made as set forth on the record of the Court at the Hearing.

In support of the filed Plan, the Plan Proponents submitted the Plan, the *Disclosure Statement Describing Debtors' and One Hit Wonder Holdings, LLC's First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17, 2018)* (the "Disclosure Statement") [ECF 262],<sup>2</sup> the *Plan Proponents' Brief in Support of Confirmation of Debtors' and One Hit Wonder Holdings, LLC's First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17, 2018)* (the "Confirmation Brief") [ECF 264],<sup>3</sup> the declaration of Robert Hackett (the "Hackett Declaration") [ECF 265],<sup>4</sup> the *Plan Proponents' Notice of Executory Contracts and Unexpired Leases to Be Assumed or Previously Assumed* (the "365 Notice") [ECF 304],<sup>5</sup> the *Plan Proponents' Supplemental Brief in Support of Confirmation of Debtors' and One Hit Wonder Holdings, LLC's First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17,*

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<sup>1</sup> The corresponding document in the chapter 11 case of One Hit Wonder Holdings, LLC ("OHW Holdings"), case number 18-11290 (the "OHW Holdings Case") is ECF 71.

<sup>2</sup> The corresponding document in the OHW Holdings Case is ECF 72.

<sup>3</sup> The corresponding document in the OHW Holdings Case is ECF 74.

<sup>4</sup> The corresponding document in the OHW Holdings Case is ECF 75.

<sup>5</sup> There is no corresponding document in the OHW Holdings Case.

2018) (the “Supplemental Brief”) [ECF \_\_\_\_],<sup>6</sup> the declaration of John-Patrick M. Fritz, Esq. (the “Fritz Declaration”) [ECF \_\_\_\_],<sup>7</sup> and the Plan Ballot Summary (the “Ballot Summary”) attached as Exhibit “1” to the Fritz Declaration.

The Court considered the following documents and evidence in conjunction with making the findings of fact and conclusions of law set forth below with respect to confirmation of the Plan and the statements of counsel made orally on the record at the Hearing: (i) the Plan and the Plan filed in the OHW Holdings Case, (ii) the Disclosure Statement and the Disclosure Statement filed in the OHW Holdings Case, (iii) the Confirmation Brief and the Confirmation Brief filed in the OHW Holdings Case, (iv) the Hackett Declaration and the Hackett Declaration filed in the OHW Holdings Case, (v) the Supplemental Brief and the Supplemental Brief filed in the OHW Holdings Case, (vi) the Fritz Declaration and Fritz Declaration filed in the OHW Holdings Case, with the Ballot Summary attached as an exhibit thereto, (vii) the 365 Notice, (viii) the *Notice of: (I) Confirmation Hearing on Debtors’ and One Hit Wonder Holdings, LLC’s First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17, 2018); (II) Deadline for Voting; and (III) Deadlines for Filing Briefs* (the “Notice”) [ECF 263]<sup>8</sup> and the Notice filed in the OHW Holdings Case; (ix) the record in the Plan Proponents’ cases; and (x) the dockets in the Plan Proponents’ cases. Upon consideration of the foregoing, the Court has made the Court’s Findings of Facts and Conclusions of Law in Support of the Court’s Order Debtors’ and One Hit Wonder Holdings, LLC’s First Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated December 17, 2018) (the “Findings and Conclusions”) signed concurrently herewith.

Upon consideration of the foregoing, and good cause appearing, the Court hereby makes, pursuant to Rule 52 of the Federal Rules of Civil Procedure (the “FRCP”) as made applicable by Rule 9014 of the Federal Rules of Bankruptcy Procedure (the “FRBP” or “Bankruptcy Rules”), the following Findings of Fact and Conclusions of Law with respect to confirmation of the Plan:

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<sup>6</sup> The corresponding document in the OHW Holdings Case is ECF \_\_\_\_.

<sup>7</sup> The corresponding document in the OHW Holdings Case is ECF \_\_\_\_.

<sup>8</sup> The corresponding document in the OHW Holdings Case is ECF 73.

1           A.     Jurisdiction; Venue; Core Proceeding. This Court has jurisdiction over the Plan  
 2 Proponents' Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant  
 3 to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding pursuant to  
 4 28 U.S.C. § 157(b)(2)(L), over which this Court has exclusive jurisdiction.

5           B.     Judicial Notice. This Court takes judicial notice of the docket of the Plan  
 6 Proponents' Chapter 11 Cases maintained by the Clerk of the Court including, without  
 7 limitation, all pleadings and other documents filed with, all orders entered by, and all evidence  
 8 and argument made, proffered or adduced at the hearings held before this Court during the  
 9 pendency of the Chapter 11 Cases.

10           C.     Transmittal and Mailing of Solicitation Materials and Notices. Service of the  
 11 Plan, Disclosure Statement, Notice and other solicitation materials was appropriate and  
 12 sufficient. Appropriate and sufficient notice of the Hearing and the other deadlines and matters  
 13 was given in compliance with 11 U.S.C. § 101 *et seq.* (the "Bankruptcy Code") and the  
 14 Bankruptcy Rules, and no other or further notice is or shall be required.

15           D.     Adequacy of Solicitation Procedures. All procedures used to distribute the  
 16 solicitation materials to the appropriate creditors entitled to vote on the Plan and to tabulate the  
 17 ballots returned by creditors were fair and were conducted in accordance with the applicable  
 18 provisions of the Bankruptcy Code, the Bankruptcy Rules and the order entered by this Court  
 19 approving the Disclosure Statement as containing adequate information under Section 1125(b) of  
 20 the Bankruptcy Code and setting forth the solicitation procedures to be followed by the Plan  
 21 Proponents as set forth in the Court's *Order: (1) Approving Disclosure Statement Describing*  
 22 *Debtors' and One Hit Wonder Holdings, LLC's First Amended Joint Plan of Reorganization*  
 23 *With Substantive Consolidation for Plan Purposes (Dated December 17, 2018); (2) Setting*  
 24 *Hearing to Consider Confirmation of Debtors' and One Hit Wonder Holdings, LLC's First*  
 25 *Amended Joint Plan of Reorganization with Substantive Consolidation for Plan Purposes (Dated*  
 26 *December 17, 2018); and (3) Setting Deadlines for Voting and for Filing Briefs* (the "Disclosure  
 27 Statement Order") [ECF 258]. Votes for acceptance or rejection of the Plan were solicited and  
 28 cast in good faith, and only after transmittal of a disclosure statement containing adequate

1 information, and otherwise in compliance with 11 U.S.C. §§ 1125 and 1126 and Bankruptcy  
2 Rules 3017 and 3018.

3 E. Good Faith Solicitation - 11 U.S.C. § 1125(e). The Plan Proponents and their  
4 advisors, attorneys, professionals, officers, directors, members, and affiliates of the foregoing  
5 (but solely in their respective capacities as such), have acted in good faith within the meaning of  
6 Sections 1125(e) and 1129(a)(3) of the Bankruptcy Code, and in compliance with all other  
7 applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Disclosure  
8 Statement Order, in connection with all of their respective activities relating to the solicitation of  
9 acceptances of the Plan and their participation in the activities described in Section 1125 of the  
10 Bankruptcy Code, and are entitled to the protections afforded by Section 1125(e) of the  
11 Bankruptcy Code and, to the extent applicable, the exculpation and injunction provisions set  
12 forth in Sections II.B.10 and II.B.11 of the Plan.

13 F. Impaired Classes that Have Voted to Accept or Reject the Plan. Classes 2, 3, and  
14 4 are each impaired under and entitled to vote on the Plan. As set forth in the Ballot Summary,  
15 Classes 2, 3, and 4 each voted unanimously to accept the Plan.

16 G. Classes Deemed to Accept Plan. With respect to classes of claims against the  
17 Plan Proponents, Class 1 is unimpaired under the Plan. Pursuant to Section 1126(f) of the  
18 Bankruptcy Code, holder of the Class 1 claim is conclusively presumed to have accepted the  
19 Plan. With respect to classes of interests in the Plan Proponents, Class 5 is unimpaired under the  
20 Plan. Pursuant to Section 1126(f) of the Bankruptcy Code, holders of the Class 5 interests are  
21 conclusively presumed to have accepted the Plan.

22 H. Compromises and Settlements Embodied in Plan. The Plan represents a  
23 compromise and settlement agreed to between the Debtors and AOP Ventures, Inc., and other  
24 parties in interest, as to a number of issues in dispute. In the absence of the compromises and  
25 settlements reached by the parties and embodied in the Plan, the Plan Proponents' emergence  
26 from Chapter 11 would be significantly delayed by time-consuming and expensive litigation, the  
27 outcome of which is uncertain and in any event could impair the ability of the Plan Proponents to  
28 successfully reorganize and prejudice the recovery rights of all creditors. The terms and  
provisions of the Plan that reflect the compromises and settlements do not discriminate unfairly,

1 and are fair and equitable and within the bounds of reasonableness, with respect to each class of  
2 claims treated under the Plan.

3 I. Releases, Discharge, Exculpations and Injunctions. Each of the release,  
4 discharge, exculpation, and injunction provisions set forth in the Plan: (i) is within the  
5 jurisdiction of this Court under 28 U.S.C. §§ 1334(a), 1334(b), and 1334(d); (ii) is an essential  
6 means of implementing the Plan pursuant to 11 U.S.C. § 1123(a)(5); (iii) is an integral element  
7 of the transactions incorporated into the Plan; (iv) confers material benefits on, and is in the best  
8 interests of, the Plan Proponents, their estates, and their creditors; (v) is important to the overall  
9 objectives of the Plan to finally resolve all claims among or against the key parties in interest in  
10 the Plan Proponents' Chapter 11 Cases; and (vi) is consistent with Sections 105, 524, 1123,  
11 1129, and 1141 of the Bankruptcy Code, and all other applicable provisions of the Bankruptcy  
12 Code. The record of the Hearing and the Chapter 11 Cases is sufficient to support the release,  
13 discharge, exculpation, and injunction provisions contained in the Plan.

14 J. Plan Compliance with Bankruptcy Code - 11 U.S.C. § 1129(a)(1). The Plan  
15 complies with the applicable provisions of the Bankruptcy Code, thereby satisfying Section  
16 1129(a)(1) of the Bankruptcy Code.

17 1. Proper Classification - 11 U.S.C. §§ 1122, 1123(a)(1). Aside from  
18 administrative claims and priority tax claims, which need not be classified, the Plan  
19 designates 4 classes of claims against the Plan Proponents and 1 class of interests in the  
20 Plan Proponents. The claims and interests placed in each class, where applicable, are  
21 substantially similar to other claims and interests in each such class. Valid business,  
22 factual and legal reasons exist for separately classifying the various classes of claims  
23 created under the Plan, and such classes do not unfairly discriminate among holders of  
24 claims. Thus, the Plan satisfies Sections 1122 and 1123(a)(1) of the Bankruptcy Code.

25 2. Specify Unimpaired Classes - 11 U.S.C. § 1123(a)(2). Section II.A.2 of  
26 the Plan specifies that Classes 1 and 5 are unimpaired under the Plan, thereby satisfying  
27 Section 1123(a)(2) of the Bankruptcy Code.  
28

1           3.     Specify Treatment of Impaired Classes - 11 U.S.C. § 1123(a)(3). Section  
2 II.A.2 of the Plan specifies that classes 2, 3, and 4 are impaired as well as the treatment of  
3 claims in those classes, thereby satisfying Section 1123(a)(3) of the Bankruptcy Code.

4           4.     No Discrimination - 11 U.S.C. § 1123(a)(4). The Plan provides for the  
5 same treatment by the Plan Proponents for each claim in each respective class unless the  
6 holder of a particular claim has agreed to a less favorable treatment of such claim,  
7 thereby satisfying Section 1123(a)(4) of the Bankruptcy Code.

8           5.     Implementation of Plan - 11 U.S.C. § 1123(a)(5). Section II.B of the Plan  
9 appropriately sets forth the means of implementation and execution of the Plan.

10          6.     Non-Voting Equity Securities - 11 U.S.C. § 1123(a)(6). Section I of the  
11 Plan provides that the Reorganized Debtors will sign any reasonable documentation  
12 required by law necessary to confirm and consummate the Plan, and Section II.A.2 of the  
13 Plan maintains the 50/50 equity split between Robert Hackett and Nikolaos Voudouris,  
14 consistent with their co-equal officer, director, managing member roles, as reflected in  
15 Section II.B.3 of the Plan. Accordingly, the Plan complies with Section 1123(a)(6) of the  
16 Bankruptcy by providing for the inclusion in the charter of a corporate debtor a provision  
17 prohibiting the issuance of nonvoting equity securities, and providing, as to the several  
18 classes of securities possessing voting power, an appropriate distribution of such power  
19 among classes.

20          7.     Selection of Officers and Directors - 11 U.S.C. § 1123(a)(7). There is no  
21 provision of the Plan that is contrary to the best interests of creditors and equity holders  
22 or public policy with respect to the manner of selection of any officer, director or trustee.  
23 Accordingly, the requirements of Section 1123(a)(7) of the Bankruptcy Code are  
24 satisfied.

25          8.     Post-petition Earnings of an Individual Debtor Necessary for Execution of  
26 the Plan – 11 U.S.C. § 1123(a)(8). This subsection does not apply in these Chapter 11  
27 Cases because the Plan Proponents are not individuals.  
28

1           9.     Additional Plan Provisions - 11 U.S.C. § 1123(b). The Plan's additional  
 2     provisions are appropriate and consistent with the applicable provisions of the  
 3     Bankruptcy Code.

4           10.   Compliance with Fed. R. Bankr. P. 3016. The Plan is dated and identifies  
 5     the entities submitting it, thereby satisfying Bankruptcy Rule 3016(a). The filing of the  
 6     Disclosure Statement with this Court satisfies Bankruptcy Rule 3016(b). Further, the  
 7     Plan and Disclosure Statement describe in specific and conspicuous language all acts to  
 8     be enjoined and identify the entities that are subject to the injunction, satisfying  
 9     Bankruptcy Rule 3016(c) to the extent applicable.

10          11.   Compliance with Fed. R. Bankr. P. 3017. The Plan Proponents have given  
 11     appropriate and sufficient notice of the Hearing in accordance with Bankruptcy Rule  
 12     3017(d). The solicitation materials prescribed by the Disclosure Statement Order were  
 13     transmitted to creditors entitled to vote on the Plan in accordance with Bankruptcy Rule  
 14     3017(d).

15          12.   Compliance with Fed. R. Bankr. P. 3018. The solicitation of votes to  
 16     accept or reject the Plan satisfies Bankruptcy Rule 3018. The Plan was transmitted to all  
 17     creditors entitled to vote on the Plan, sufficient time was prescribed for such creditors to  
 18     accept or reject the Plan, and the solicitation materials used and solicitation procedures  
 19     followed comply with Sections 1125 and 1126 of the Bankruptcy Code, thereby  
 20     satisfying the requirements of Bankruptcy Rule 3018.

21          K.     Compliance with Bankruptcy Code - 11 U.S.C. § 1129(a)(2). The Plan  
 22     Proponents have complied with the applicable provisions of the Bankruptcy Code, thereby  
 23     satisfying Section 1129(a)(2) of the Bankruptcy Code.

24          L.     Plan Proposed in Good Faith - 11 U.S.C. § 1129(a)(3). The Plan Proponents  
 25     proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying  
 26     Section 1129(a)(3) of the Bankruptcy Code. In determining that the Plan has been proposed in  
 27     good faith, the Court has examined the totality of the circumstances surrounding the formulation  
 28     of the Plan. Here, the Plan Proponents filed the Plan in good faith, after extensive negotiations  
    with its largest and most adversarial creditor, AOP Ventures, Inc. The Plan Proponents

1 negotiated the terms of the Plan with creditors in good faith, at arms' length, and with separate  
2 and experienced counsel of their own choosing.

3 M. Payments for Services or Costs and Expenses - 11 U.S.C. § 1129(a)(4). All  
4 payments made or to be made by the Plan Proponents or by a person issuing securities or  
5 acquiring property under the Plan, for services or for costs and expenses in or in connection with  
6 the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have  
7 been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying  
8 Section 1129(a)(4) of the Bankruptcy Code.

9 N. Directors, Officers and Insiders - 11 U.S.C. § 1129(a)(5). The Plan complies  
10 with Section 1129(a)(5) of the Bankruptcy Code because Section II.B.3 of the Plan discloses the  
11 identity and affiliation of the individuals proposed to serve after confirmation of the Plan as  
12 directors, officers, and managers of the Reorganized Debtors.

13 O. No Rate Changes - 11 U.S.C. § 1129(a)(6). There is no regulatory commission  
14 having jurisdiction after confirmation of the Plan over the rates of the Plan Proponents and no  
15 rate change provided for in the Plan requiring approval of any such commission. Therefore,  
16 Section 1129(a)(6) of the Bankruptcy Code is not applicable.

17 P. Best Interests of Creditors - 11 U.S.C. § 1129(a)(7). The Plan satisfies Section  
18 1129(a)(7) of the Bankruptcy Code since, with respect to each impaired class, each holder of a  
19 claim in such class has either (i) accepted the Plan, or (ii) will receive or retain under the Plan on  
20 account of such claim property of a value, as of the Plan's effective date (the "Effective Date" or  
21 "Plan Effective Date"), that is not less than the amount such holder would receive or retain if the  
22 Plan Proponents were liquidated under Chapter 7 of the Bankruptcy Code.

23 Q. Acceptance or Rejection by Certain Classes - 11 U.S.C. § 1129(a)(8). Class 1 is a  
24 class of unimpaired claims that is conclusively presumed to have accepted the Plan under Section  
25 1126(f) of the Bankruptcy Code. Class 5 is a class of unimpaired interests that is conclusively  
26 presumed to have accepted the Plan under Section 1126(f) of the Bankruptcy Code. Classes 2,  
27 3, and 4 are impaired classes of claims, and each class has unanimously voted to accept the Plan.  
28 Therefore, Section 1129(a)(8) of the Bankruptcy Code has been satisfied as to Classes 1, 2, 3, 4,  
and 5.

1           R.     Treatment of Administrative, Priority and Tax Claims -- 11 U.S.C. § 1129(a)(9).  
 2     There will be sufficient Funds and cash on the Effective Date to pay all allowed administrative  
 3     claims in full (or as otherwise agreed to by the holders of such allowed administrative claims).  
 4     There are no holders of claims under Section 507(a)(3), (4), (5), (6), or (7) of the Bankruptcy  
 5     Code in these Chapter 11 Cases. Holders of allowed priority tax claims under Section 507(a)(8)  
 6     will received deferred cash payments, over a period not exceeding five (5) years after the Petition  
 7     Date, of a total value equal to the allowed amounts of such priority tax claims, in a manner not  
 8     less favorable than the most favored non-priority general unsecured claim provided for by the  
 9     Plan. Based upon the foregoing, the Plan satisfies the requirements of Section 1129(a)(9) of the  
 10    Bankruptcy Code.

11           S.     Acceptance by Impaired Class - 11 U.S.C. § 1129(a)(10). Classes 2, 3, and 4 are  
 12    classes of impaired claims entitled to vote and have voted to accept the Plan in accordance with  
 13    Section 1126(e) of the Bankruptcy Code. The voting creditors in Classes 2 and 3 do not contain  
 14    insiders whose votes have been counted. The voting creditors in Class 4 do contain insiders, but  
 15    after excluding such insiders, the non-insiders in Class 4 whose votes have been counted voted  
 16    unanimously to accept the Plan. Therefore, the requirement of Section 1129(a)(10) of the  
 17    Bankruptcy Code that at least one class of claims against the Plan Proponents that is impaired  
 18    under the Plan has accepted the Plan, determined without including any acceptance of the Plan  
 19    by any insider, has been satisfied. The requirement of Section 1129(a)(10) is applied on a per-  
 20    plan basis and has been satisfied with respect to each and all of the Plan Proponents and their  
 21    Cases by satisfaction per their one joint Plan.

22           T.     Feasibility - 11 U.S.C. § 1129(a)(11). The Reorganized Debtors will have enough  
 23    cash on hand on the Effective Date to pay all the claims that are entitled to be paid on such date.  
 24    The transactions described in the Plan and the Disclosure Statement will generate sufficient  
 25    funds to pay all classes of claims in accordance with the terms of the Plan. Based upon the  
 26    foregoing, the Court finds that the Reorganized Debtors have satisfied the requirements of  
 27    Section 1129(a)(11) of the Bankruptcy Code.

28           U.     Payment of Fees - 11 U.S.C. § 1129(a)(12). All fees payable under 28 U.S.C. §  
 1930 on or before the Effective Date, as determined by the Court, have been paid or will be paid

on the Effective Date pursuant to Section II.A.1 of the Plan, thus satisfying the requirements of Section 1129(a)(12) of the Bankruptcy Code.

V. Continuation of Retiree Benefits - 11 U.S.C. § 1129(a)(13). This provision is inapplicable to this Chapter 11 Case as there are no retiree benefits required to be paid under the Plan.

W. Payment of Domestic Support Obligations- 11 U.S.C. § 1129(a)(14). Section 1129(a)(14) does not apply to this Chapter 11 Case because the Reorganized Debtors are not individuals and not required to pay a domestic support obligation by a judicial or administrative order or by statute.

X. Distribution to Creditor Who Objects to the Plan – 11 U.S.C. § 1129(a)(15). Section 1129(a)(15) does not apply to the Plan because the Plan Proponents are not individuals.

Y. Transfers of Property – 11 U.S.C. § 1129(a)(16). Section 1129(a)(16) of the Bankruptcy Code does not apply to these Chapter 11 Cases because the Plan Proponents are not non-profit corporations.

Z. Non-Application of 11 U.S.C. § 1129(b). Section 1129(b) does not apply to the Plan because all impaired classes under the Plan voted to accept the Plan.

AA. Only One Plan - 11 U.S.C. § 1129(c). Other than the Plan (including previous versions thereof), no other plan has been filed in these Chapter 11 Cases. Accordingly, the requirements of Section 1129(c) of the Bankruptcy Code have been satisfied.

BB. Principal Purpose - 11 U.S.C. § 1129(d). The principal purpose of the Plan is neither the avoidance of taxes nor the avoidance of Section 5 of the Securities Act of 1933. The Plan therefore satisfies the requirements of Section 1129(d) of the Bankruptcy Code.

CC. No Objection to Disposition of Contracts and Leases. No party to an executory contract or unexpired lease to be assumed by the Reorganized Debtors pursuant to the Plan or rejected by the Plan Proponents pursuant to the Plan has objected to the assumption or rejection thereof. There are no defaults or cure amounts required to be paid by the Plan Proponents under 11 U.S.C. § 365(b) for the Plan Proponents to assume their executory contracts and unexpired leases with counter-parties: (i) DBSYNC, (ii) Salesforce.com, and (iii) G&J Voudouris Trust.

1 DD. No Liquidation. Because the Plan does not provide for the liquidation of all or  
2 substantially all of the property of the estates, Section 1141(d)(3) of the Bankruptcy Code is not  
3 applicable.

4 EE. No Non-dischargeable Debt Under 11 U.S.C. § 1141(d)(6). Because the Plan  
5 Proponents do not owe a debt of a kind specified in 11 U.S.C. §§ 523(a)(2)(A) or 523(a)(2)(B) or  
6 for a tax or customs duty made as a fraudulent return or willfully attempted in any manner to  
7 evade or defeat such tax or customs duty, Section 1141(d)(6) of the Bankruptcy Code is not  
8 applicable.

9 FF. Substantive Consolidation. Creditors dealt with the entities as a single economic  
10 unit and did not rely on their separate identities when extending credit. Particularly, the Debtors'  
11 largest creditor AOP, which has an allowed general unsecured claim against each of the Debtors  
12 in the amount of \$16 million, holds the largest claim in the estates, and accounts for  
13 approximately 90% of all general unsecured debt across the estates and approximately 75% of  
14 the all debt (unsecured, secured, administrative, or otherwise) across the estates; thus, the lion's  
15 share of the estates' aggregate debt is on a single-entity basis. Moreover, because of the  
16 integrated nature of the Plan Proponents' manufacturing, sales, and distribution model, trade  
17 vendors would treat and look to the Plan Proponents' business as a whole as being a single entity  
18 basis. For example, Havz, LLC does business under the "dba" of "Steam Wholesale," akin to the  
19 company name of "Steam Distribution, LLC," and they manufacture and sell a well-known  
20 product of the Plan Proponents known as "One Hit Wonder," which is the namesake of the  
21 debtor affiliates "One Hit Wonder, Inc." and "One Hit Wonder Holdings, LLC." Furthermore,  
22 secured creditors Mini-Gadgets and Neely have both issued secured loans to the Debtors secured  
23 by liens on all of the Debtors' assets. Substantive consolidation is somewhat akin to alter ego,  
24 and, here, while the Plan Proponents assert have neither ignored corporate formalities nor held  
25 themselves out as being liable for each other's debts, they all have the same equity ownership,  
26 they have the same management, the same offices, and their businesses are run as one joint  
27 enterprise with so much reliance among them that each could be undercapitalized without the  
28 others.

1 GG. Burden of Proof. The Plan Proponents, as the proponents of the Plan, have met  
2 their burden of proving the elements of Sections 1129(a) and (b) of the Bankruptcy Code by a  
3 preponderance of the evidence.

4 HH. Satisfaction of Confirmation Requirements. The Plan satisfies the requirements  
5 for confirmation set forth in Section 1129 of the Bankruptcy Code.

6  
7  
8 Submitted by:

9 **LEVENE, NEALE, BENDER,**  
10 **YOO & BRILL L.L.P.**

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28

## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled (*specify* **NOTICE OF (PROPOSED) FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER CONFIRMING DEBTORS' AND ONE HIT WONDER HOLDINGS, LLC'S FIRST AMENDED JOINT PLAN OF REORGANIZATION WITH SUBSTANTIVE CONSOLIDATION FOR PLAN PURPOSES (DATED DECEMBER 17, 2018)**) will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) February 20, 2019, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:  
☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On (*date*) February 20, 2019, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

US Trustee- LV-11 300 Las Vegas Blvd., Suite 4300 Las Vegas, NV 89101-5803	Securities and Exchange Commission Attn: Bankruptcy Counsel 444 South Flower St., Suite 900 Los Angeles, CA 90071-5951
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☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL**  
(*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) February 20, 2019, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

The Honorable August B. Landis  
U.S. Bankruptcy Court  
District of Nevada  
Foley Federal Building  
300 Las Vegas Boulevard South, Courtroom 1 (3rd Floor)  
Las Vegas, NV 89101

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

February 20, 2019,	Jason Klassi	/s/ Jason Klassi
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

**18-11598-abl Notice will be electronically mailed to:**

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